

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input checked="" type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name Maple Forest Township	County Crawford
Fiscal Year End June 30, 2006	Opinion Date December 19, 2006	Date Audit Report Submitted to State May 8, 2006	

We affirm that:

We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).


YES NO

Check each applicable box below. (See instructions for further detail.)

1. ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2. ☒ ☐ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3. ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4. ☒ ☐ The local unit has adopted a budget for all required funds.
5. ☒ ☐ A public hearing on the budget was held in accordance with State statute.
6. ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7. ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8. ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
9. ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
10. ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11. ☒ ☐ The local unit is free of repeated comments from previous years.
12. ☒ ☐ The audit opinion is UNQUALIFIED.
13. ☒ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14. ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
15. ☒ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:	Enclosed	Not Required (enter a brief justification)	
Financial Statements	<input checked="" type="checkbox"/>		
The letter of Comments and Recommendations	<input type="checkbox"/>	None Required	
Other (Describe)	<input type="checkbox"/>		
Certified Public Accountant (Firm Name) Keskin Cook Miller & Alexander LLP		Telephone Number 989-732-7515	
Street Address 100 West First Street		City Gaylord	State MI
Zip 49735			
Authorizing CPA Signature 	Printed Name Jeffrey Cook	License Number 11876	

TOWNSHIP OF MAPLE FOREST
CRAWFORD COUNTY, MICHIGAN
AUDITED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

TOWNSHIP OFFICIALS

SUPERVISOR

MARK KNISS

CLERK

SANDRA BAYNHAM

TREASURER

DENISE BABBITT

TRUSTEES

KRIS MADILL

BERNARD FELDHAUSER

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Keskin, Cook, Miller & Alexander, LLP
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Walter J. Keskin, CPA
Jeffrey B. Cook, CPA
Richard W. Miller, CPA
Ronald D. Alexander, CPA
Curt A. Reppuhn, CPA

INDEPENDENT AUDITOR'S REPORT

December 19, 2006

To the Township Board
Maple Forest Township

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Maple Forest Township, Otsego County, Michigan as of and for the year ended June 30, 2006, which collectively comprise the Township's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Bagley Township, Crawford County, Michigan as of June 30, 2006, and the respective changes in financial position, thereof and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Maple Forest Township has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America have determined is necessary to supplement, although not required to be a part of, the financial statements.

The budgetary comparison information on pages 21 through 22, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in cursive script that reads "Keskin, Cook, Miller & Alexander LLP".

Keskin, Cook, Miller & Alexander, LLP
Certified Public Accountants

TOWNSHIP OF MAPLE FOREST
STATEMENT OF NET ASSETS
JUNE 30, 2006

ASSETS	
Current Assets:	
Cash	\$ 18,919
Investments	268,252
Accounts Receivable	25,160
Due from Other Governments	5,079
	<hr/>
Total Current Assets	317,410
	<hr/>
Non-Current Assets:	
Capital Assets	295,706
Accumulated Depreciation	(38,784)
	<hr/>
Total Non-Current Assets	256,922
	<hr/>
Total Assets	574,332
	<hr/>
NET ASSETS	
Invested in Capital Assets	256,922
Restricted for:	
Public Improvement	267,206
Fire Protection	-
Fund Balance	50,204
	<hr/>
Total Net Assets	\$ 574,332
	<hr/>

See accompanying notes to financial statements.

TOWNSHIP OF MAPLE FOREST
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2006

	P R O G R A M R E V E N U E S				
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRI- BUTIONS	CAPITAL GRANTS & CONTRI- BUTIONS	NET REVENUE/ (EXPENSE) & CHANGE IN NET ASSETS
GOVERNMENTAL ACTIVITIES					
General Government	\$ (160,822)	\$ 30,115	\$ 168,671	\$ (16,961)	\$ 21,003
Fire Protection	(46,100)	-	16,961	-	(29,139)
Public Improvements	(768)	-	76,183	(168,671)	(93,256)
Total Governmental Activities	(207,690)	30,115	261,815	(185,632)	(101,392)
GENERAL REVENUES					
Property Taxes, Levied for:					
General Operations					18,778
Fire Protection					20,027
Investment Earnings					6,442
State Shared Revenue (not restricted to specific purpose)					44,456
Total General Revenues					89,703
Change in Net Assets					(11,689)
Net Assets, Beginning of Year					586,021
Net Assets, End of Year					\$ 574,332

See accompanying notes to financial statements.

TOWNSHIP OF MAPLE FOREST
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2006

	<u>MAJOR FUNDS</u>			<u>TOTAL</u>
	<u>GENERAL</u>	<u>PUBLIC IMPROVE- MENT</u>	<u>NON-MAJOR FUNDS</u>	
ASSETS				
Cash	\$ 11,761	\$ 7,158	\$ -	\$ 18,919
Investments	27,864	234,888	5,500	268,252
Accounts Receivable	-	25,160	-	25,160
Due from Other Governments	5,079	-	-	5,079
	<u>44,704</u>	<u>267,206</u>	<u>5,500</u>	<u>317,410</u>
Total Assets				
	<u>44,704</u>	<u>267,206</u>	<u>5,500</u>	<u>317,410</u>
Fund Equity:				
Fund Balance, Reserved for:				
Public Improvement	-	267,206	-	267,206
Fire Protection	-	-	-	-
Fund Balance, Designated for:				
Township Improvement	-	-	5,500	5,500
Fund Balance, Unreserved, Undesignated	44,704	-	-	44,704
	<u>44,704</u>	<u>267,206</u>	<u>5,500</u>	<u>317,410</u>
Total Fund Equity				
	<u>44,704</u>	<u>267,206</u>	<u>5,500</u>	<u>317,410</u>
Total Liabilities and Fund Equity	\$ 44,704	\$ 267,206	\$ 5,500	\$ 317,410
	<u>44,704</u>	<u>267,206</u>	<u>5,500</u>	<u>317,410</u>

See accompanying notes to financial statements.

TOWNSHIP OF MAPLE FOREST
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2006

TOTAL FUND BALANCES - GOVERNMENTAL ACTIVITIES (PER BALANCE SHEET)	\$ 317,410
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Amounts reported for governmental activities in the Statement of Net
Assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not used in the funds	256,922
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TOTAL NET ASSETS - GOVERNMENTAL ACTIVITIES (PER STATEMENT OF NET ASSETS)	<u>\$ 574,332</u>
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See accompanying notes to financial statements.

TOWNSHIP OF MAPLE FOREST
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2006

	MAJOR FUNDS			
	GENERAL	PUBLIC IMPROVE- MENT	NON-MAJOR FUNDS	TOTAL
REVENUES				
Property Taxes	\$ 18,778	\$ -	\$ 20,027	\$ 38,805
State Revenue Sharing	44,456	-	-	44,456
Charges for Services	30,115	-	-	30,115
Impact Fee Revenues	-	76,183	-	76,183
Interest	5,718	724	-	6,442
Total Revenues	99,067	76,907	20,027	196,001
EXPENDITURES				
General Government	258,946	768	-	259,714
Fire Protection	-	-	46,100	46,100
Total Expenditures	258,946	768	46,100	305,814
Excess (Deficiency) of Revenues over Expenditures	(159,879)	76,139	(26,073)	(109,813)
OTHER FINANCING SOURCES/(USES)				
Operating Transfers In	168,671	-	16,961	185,632
Operating Transfers Out	(16,961)	(168,671)	-	(185,632)
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	(8,169)	(92,532)	(9,112)	(109,813)
Fund Balance - Beginning of Year	52,873	359,738	14,612	427,223
Fund Balance - End of Year	\$ 44,704	\$ 267,206	\$ 5,500	\$ 317,410

See accompanying notes to financial statements.

TOWNSHIP OF MAPLE FOREST
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2006

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	(109,813)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Depreciation expense is recorded in the Statement of Activities but not the governmental funds	(10,006)
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Governmental funds report purchases of assets as expenditures. However, in the government-wide financial statements, asset purchases are capitalized and depreciated over their useful lives	108,130
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CHANGE IN NET ASSETS - GOVERNMENTAL ACTIVITIES - PER STATEMENT OF ACTIVITIES	(11,689)
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See accompanying notes to financial statements.

**TOWNSHIP OF MAPLE FOREST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006**

NOTE A: ENTITY

GENERAL

The Township of Maple Forest is a general law township of the State of Michigan located in Crawford County, Michigan. It operates under an elected board and provides service to its residents in many areas, including community enrichment and human services. The criteria established for the reporting entity's financial statements include oversight responsibility, scope of public service, and special financing relationships. On this basis, the financial statements include all of the governmental functions of Maple Forest Township.

LANDFILL

A private landfill is located within the Township's borders. The landfill pays impact fees to the Township for the purpose of keeping the Township's land appealing to its citizens. The fees received by the Township are spent on Public Improvement, and are recorded in a separate fund in these financial statements.

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INTRODUCTION

The accounting and reporting framework and the more significant accounting principles and practices of Maple Forest Township are discussed in subsequent sections of this Note. The remainder of the Notes are organized to provide explanations including required disclosures of the Township's financial activities.

The accounting policies of Maple Forest Township conform to the generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

On July 1, 2003, the Township adopted the new governmental reporting model and implemented Governmental Accounting Standards Board (GASB) Statement No. 34 "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments" and Statement No. 38 "Certain Financial Statement Note Disclosures".

Under the provisions of GASB Statements No. 34 and 38, the focus of the Township's financial statements has shifted from a fund focus to a government-wide focus.

**TOWNSHIP OF MAPLE FOREST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006**

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENT
PRESENTATION**

Government-Wide Financial Statements

The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the Township as a whole, excluding fiduciary activities, such as tax collection activities.

Individual funds are not displayed, but the statements distinguish governmental activities, generally supported by taxes and Township general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. The Township does not engage in any business-type activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with functional programs. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines and forfeitures, and other charges to users of the Township's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements are provided for governmental and fiduciary funds. Major individual governmental funds are reported in separate columns with composite columns for non-major funds. The measurement focus and basis of accounting for the government-wide and fund financial statements are described in a subsequent section of this note.

**TOWNSHIP OF MAPLE FOREST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006**

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND TYPES AND MAJOR FUNDS

Governmental Funds

The Township reports the following major governmental funds:

General Fund - This fund is used to account for all financial transactions except those required to be accounted for in another fund. The fund includes the general operating expenditures of the local unit. Revenues are derived primarily from property taxes, state and federal distributions, grants and other inter-governmental revenues.

Public Improvement Fund – This fund is used to account for the impact fees collected from Waste Management (see also Note A) and spent for improvements.

The Township reports its Fire and Township Improvement Funds as non-major funds.

Other Funds

Fiduciary Fund - This fund is used to account for assets held in trust or as an agent for others. Tax collection activities are recorded in this category. Fiduciary activities are not reported in the government-wide financial statements, in accordance with GASB Statement No. 34.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The financial statements of the Township are prepared in accordance with generally accepted accounting principles (GAAP). The Township applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements. The Township does not apply FASB pronouncements or APB opinions issued after November 30, 1989.

**TOWNSHIP OF MAPLE FOREST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006**

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

Government-Wide Financial Statements

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). However, internal eliminations do not include utility services provided to Township departments.

Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met.

Governmental Fund Financial Statements

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available.

Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Township considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual include: sales and use taxes, property taxes, franchise taxes (fees), intergovernmental revenues, and investment income. In general, other revenues are recognized when cash is received.

**TOWNSHIP OF MAPLE FOREST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006**

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY TAXES

Property taxes and other revenue that are both measurable and available for use to finance operations are recorded as revenue when earned.

- a) Properties are assessed as of December 31, and the related property taxes become a lien on December 1 of the following year. These taxes are due on February 15. A county revolving fund normally pays the balance of the Township's tax levy by May 31 each year.
- b) In accordance with GASB 33 "Accounting and Financial Reporting for Nonexchange Transactions", the Township records property tax revenue on the lien date when it becomes an enforceable legal claim for the Township. Therefore, all taxes levied on December 1, 2005 are recorded as revenue in the current fiscal year.
- c) The Township 2005 tax roll millage rates were as follows:

PURPOSE	RATE/ASSESSED VALUATION
General	.83590 mills per \$1,000
Fire	.98850 mills per \$1,000

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CAPITAL ASSETS AND DEPRECIATION

The Township's property, plant, and equipment, with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. Donated assets are stated at fair value on the date donated. The Township generally capitalizes assets with historical cost of \$1,000 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts and the resulting gain or loss is recorded in operations.

**TOWNSHIP OF MAPLE FOREST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006**

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAPITAL ASSETS AND DEPRECIATION (CONTINUED)

Estimated useful lives, in years, for depreciable assets are as follow

Buildings and improvements	25 – 40 years
Land improvements	10 – 20 years
Machinery and equipment	5 – 10 years
Fire Vehicles	20 years

Land and construction in progress are not depreciated.

For information describing capital assets, see Note E.

**LONG-TERM DEBT, DEFERRED DEBT EXPENSE, AND BOND
DISCOUNTS/PREMIUMS**

In the government-wide financial statements, outstanding debt is reported as liabilities. Bond issuance costs, bond discounts or premiums, and the difference between the reacquisition price and the net carrying value of refunded debt are capitalized and amortized over the terms of the respective bonds using a method that approximates the effect of interest method.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures. The Township has no long term debt.

ENCUMBRANCES

Encumbrances involving the current recognition of purchase orders, contracts and other commitments for future expenditures are not recorded.

ACCUMULATED UNPAID BENEFITS

Employees are not allowed to accumulate vacation and sick pay; therefore, no accumulated amount has been recorded in these financial statements.

**TOWNSHIP OF MAPLE FOREST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006**

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BUDGET

Each year the unit formulates and adopts a budget as follows:

1. Prior to July 1, a preliminary budget is prepared for all funds.
2. Public hearings are held to obtain taxpayer comments.
3. Budget is adopted at the Township Board meeting in June each year.

The budget as prepared conformed to P.A. 621 of 1978.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional and activity basis. The approved budget of the Township for these budgetary funds were adopted on an Fund level using the modified accrual basis. Budgets as adopted end on June 30, of each year. There are no carryover budget items.

NOTE C: CASH AND INVESTMENTS

CASH DEPOSITS

The Township combines all funds except Trust and Agency (tax collection) monies into common checking and investment accounts. Combined balances at June 30, 2006, are as follows:

COMBINED CHECKING

General	\$ 11,761
Fire	-
Public Improvement	<u>7,158</u>
	<u>\$ 18,919</u>

The Township's deposits are categorized to give an indication of the level of risk assumed by the Township at fiscal year-end. The categories are described as follows:

- Category 1 - Insured or collateralized with securities held by the Township or by its agent in the Township's name.
- Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the Township's name.
- Category 3 - Uncollateralized.

**TOWNSHIP OF MAPLE FOREST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006**

NOTE C: CASH AND INVESTMENTS (CONTINUED)

	<u>BANK BALANCE</u>	<u>1</u>	<u>CATEGORY 2</u>	<u>3</u>	<u>CARRYING AMOUNT</u>
Combined Checking	<u>\$ 40,635</u>	<u>\$ 40,635</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,919</u>

INVESTMENTS

Investments are stated at cost, which approximates fair market value.
Investments consist of securities with original maturities in excess of 90 days.
Investing is performed in accordance with a Township investment policy,
complying with state statutes.

NOTE D: RECEIVABLES

ACCOUNTS RECEIVABLE

Accounts receivable in the Public Improvement fund consist of \$25,160 due from the local landfill company and is based on tons of debris deposited in the landfill. Refer to Note A.

DUE FROM OTHER GOVERNMENTS

The amounts reported as Due from Other Governments in these financial statements consist of State revenue sharing of \$5,000.

NOTE E: CAPITAL ASSETS

The following is a summary of the capital asset activity of the Township for the year ended June 30, 2006:

	<u>CAPITAL ASSETS NOT DEPRECIATED</u>	<u>CAPITAL ASSETS DEPRECIATED</u>		
	<u>Land</u>	<u>Buildings & Components</u>	<u>Furniture & Equipment</u>	<u>Totals</u>
Governmental Activities				
Balance, July 1, 2005	\$ 5,000	\$ 162,239	\$ 20,337	\$ 187,576
Increases	-	108,130	-	108,130
Decreases	-	-	-	-
Balance, June 30, 2006	<u>5,000</u>	<u>270,369</u>	<u>20,337</u>	<u>295,706</u>
Accumulated Depreciation				
Balance, July 1, 2005	-	21,999	6,779	28,778
Increases	-	8,650	1,356	10,006
Decreases	-	-	-	-
Balance, June 30, 2006	<u>-</u>	<u>30,649</u>	<u>8,135</u>	<u>38,784</u>
Governmental Activities				
Capital Assets, Net	<u>\$ 5,000</u>	<u>\$ 239,720</u>	<u>\$ 12,202</u>	<u>\$ 256,922</u>

**TOWNSHIP OF MAPLE FOREST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006**

NOTE E: CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions of the Township as follows:

Governmental Activities

Township Administration	\$ 1,356
Township Hall & Grounds	<u>8,650</u>
Total	<u>\$ 10,006</u>

NOTE F: FUND BALANCE/NET ASSETS

DESIGNATED FUND BALANCE

The Township Board has set aside \$5,500 as designated fund balance to be used for Township Improvements.

NOTE G: CONTINGENCIES

INSURANCE

The Township is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. The Township has purchased commercial insurance coverage for the above risks. There were no significant changes in coverage, nor were there any significant claims for the year. The Township also carries commercial insurance for other types of losses including employee health and accident insurance.

**TOWNSHIP OF MAPLE FOREST
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006**

NOTE G: CONTINGENCIES (CONTINUED)

LANDFILL

A private landfill is located within the Township's borders. Both the Township and the owner are insured for potential calamities. The Township has no knowledge of any potential environmental liabilities with respect to the landfill.

NOTE H: PENSION PLAN

The Township established a defined contribution pension plan covering substantially all of its elected officials. Total pension expense for the year was \$1,922. Covered payroll amounted to \$21,180. Payments made to the plan vest immediately to the participants. The plan provides fully insured pension credits and each year's contribution is sufficient to fully fund the benefits earned during the year. Payments to the plan have been used only to purchase benefits. There are no separate plan assets.

TOWNSHIP OF MAPLE FOREST
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2006

	ORIGINAL BUDGET	FINAL AMENDED BUDGET	ACTUAL	VARIANCE FROM FINAL AMENDED BUDGET
REVENUES				
Property Taxes	\$ 18,866	\$ 18,866	\$ 18,778	\$ (88)
Interest	4,000	4,000	5,718	1,718
State Revenue Sharing	37,500	37,500	44,456	6,956
Refunds and Reimbursements	-	-	28,725	28,725
Charges for Services	120	120	1,390	1,270
Total Revenues	60,486	60,486	99,067	38,581
EXPENDITURES				
GENERAL GOVERNMENT				
Township Board:				
Trustee Salaries and Wages	2,500	2,500	2,366	134
Payroll Taxes	2,700	2,700	380	2,320
Pension Plan	2,000	2,000	1,922	78
Tax Roll Preparation Services	1,500	1,500	1,284	216
Assessing/Professional Services	17,000	17,000	19,337	(2,337)
Education	500	500	1,460	(960)
Communications	1,200	1,200	1,189	11
Printing and Publishing	2,150	2,150	660	1,490
Insurance, Bonds	5,000	5,000	5,382	(382)
Dues and Fees	1,300	1,300	880	420
Miscellaneous	2,860	2,860	3,057	(197)
Total Township Board	38,710	38,710	37,917	793
Supervisor:				
Supervisor Salary	5,700	5,700	6,084	(384)
Total Supervisor	5,700	5,700	6,084	(384)
Clerk:				
Clerk Salary	9,240	9,240	9,864	(624)
Deputy Salary	100	100	35	65
Total Clerk	9,340	9,340	9,899	(559)
Board of Review	750	750	692	58
Treasurer:				
Treasurer Salary	6,240	6,240	6,660	(420)
Deputy Salary	200	200	-	200
Total Treasurer	6,440	6,440	6,660	(220)

TOWNSHIP OF MAPLE FOREST
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2006

	ORIGINAL BUDGET	FINAL AMENDED BUDGET	ACTUAL	VARIANCE FROM FINAL AMENDED BUDGET
Township Hall:				
Office Supplies	1,200	1,200	2,110	(910)
Software and Technical Support	1,000	1,000	3,771	(2,771)
Repairs and Supplies	1,000	1,000	782	218
Lawn Care and Snow Removal	2,400	2,400	2,700	(300)
Utilities	2,500	2,500	4,809	(2,309)
Buildings and Improvements	225,000	225,000	180,293	44,707
Equipment and Furniture	10,000	10,000	-	10,000
Total Township Hall	243,100	243,100	194,465	48,635
Cemetery:				
Contracted Services	3,200	3,200	2,479	721
Repairs and Maintenance	-	-	750	(750)
Total Cemetery	3,200	3,200	3,229	(29)
Total Expenditures	307,240	307,240	258,946	48,294
Excess (Deficiency) of Revenues over Expenditures	(246,754)	(246,754)	(159,879)	86,875
OTHER FINANCING SOURCES				
Transfers in/out	270,000	270,000	151,710	(118,290)
Excess (Deficiency) of Revenues and Other Sources over Expenditures	23,246	23,246	(8,169)	(31,415)
Fund Balance - Beginning of Year	52,873	52,873	52,873	-
Fund Balance - End of Year	\$ 76,119	\$ 76,119	\$ 44,704	\$ (31,415)

TOWNSHIP OF MAPLE FOREST
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PUBLIC IMPROVEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2006

	ORIGINAL BUDGET	FINAL AMENDED BUDGET	ACTUAL	VARIANCE FROM FINAL AMENDED BUDGET
REVENUES				
Impact Fee Revenues	\$ 78,000	\$ 78,000	\$ 76,183	\$ (1,817)
Interest	3,000	3,000	724	(2,276)
Total Revenues	81,000	81,000	76,907	(4,093)
EXPENDITURE / OTHER FIN. USES				
Cleanup Day Exp.	1,500	1,500	768	732
Appropriation Transfer Out	270,000	270,000	168,671	101,329
Excess (Deficiency) of Revenues over Expenditure / Other Fin. Uses	(190,500)	(190,500)	(92,532)	97,968
Fund Balance - Beginning of Year	359,738	359,738	359,738	-
Fund Balance - End of Year	\$ 169,238	\$ 169,238	\$ 267,206	\$ 97,968

TOWNSHIP OF MAPLE FOREST
COMBINING BALANCE SHEET
NON MAJOR FUNDS
JUNE 30, 2006

	<u>FIRE</u>	<u>TOWNSHIP IMPROVEMENT</u>	<u>TOTAL</u>
ASSETS			
Cash	\$ -	\$ -	\$ -
Investments	-	5,500	5,500
Due from Other Governments	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>-</u>	<u>5,500</u>	<u>5,500</u>
	<u>-</u>	<u>5,500</u>	<u>5,500</u>
FUND EQUITY			
Fund Balance:			
Reserved for Fire Protection	-	-	-
Designated for Township Improvements	-	5,500	5,500
	<u>-</u>	<u>5,500</u>	<u>5,500</u>
Total Fund Equity	<u>\$ -</u>	<u>\$ 5,500</u>	<u>\$ 5,500</u>
	<u>-</u>	<u>5,500</u>	<u>5,500</u>

TOWNSHIP OF MAPLE FOREST
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON MAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2006

	FIRE	TOWNSHIP IMPROVEMENT	TOTAL
REVENUES			
Property Taxes	\$ 20,027	\$ -	\$ 20,027
EXPENDITURES			
Fire Protection	46,100	-	46,100
Excess (Deficiency) of Revenues over Expenditures	(26,073)	-	(26,073)
OTHER FINANCING SOURCES			
Operating Transfers In	16,961	-	16,961
Excess (Deficiency) of Revenues and Other Sources over Expenditures	(9,112)	-	(9,112)
Fund Balance - Beginning of Year	9,112	5,500	14,612
Fund Balance - End of Year	\$ -	\$ 5,500	\$ 5,500